

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 157845
ORIGIN EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 TRSE-00 COME-00 AGRE-00
STR-04 FEA-01 CEA-01 CIAE-00 DODE-00 FRB-03 H-01
INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01
EPG-02 AID-05 SS-15 ITC-01 USIA-06 PRS-01 SP-02
OMB-01 /101 R

DRAFTED BY EB/OT/STA:GWHITE/TO'HERRON:JH
APPROVED BY EB/OT/STA:TO'HERRON
EUR/RPE:ECASEY
TREAS:WHAUSMAN
TREAS:WBARREDA
TREAS/ATF:SHIGGINS
COMM:RMITCHELL
USDA::WDOERING
STR:BSTEINBOCK

-----091832 072126Z /75

P R 071958Z JUL 77
FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS PRIORITY
INFO AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
USMISSION GENEVA
AMEMBASSY THE HAGUE
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMEMBASSY PARIS
AMEMBASSY ROME

LIMITED OFFICIAL USE STATE 157845

USMTN ALSO FOR USMISSION PARIS ALSO FOR USOECD

E.O. 11652: N/A

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 157845

TAGS: ETRD, EEC

SUBJECT: US-EC WINE TRADE

REF: (A) EC BRUSSELS 6976 (B) EC BRUSSELS 7278 (C) STATE
144016

1. WASHINGTON AGENCIES APPRECIATE CONSTRUCTIVE SUGGESTIONS OF DR. REICHARDT (REF A) FOR AVOIDING SERIOUS TRADE PROBLEMS WHEN EC WINE REGULATIONS BECOME EFFECTIVE, AND MISSION'S COMMENTS AND RECOMMENDATIONS (REF B). FROM WASHINGTON VANTAGE POINT, IMMEDIATE ISSUE IS AVOIDANCE OF INTERRUPTION OF US WINE EXPORTS ON SEPTEMBER 1. LARGER ISSUES WILL REQUIRE MORE TIME FOR RESOLUTION. MISSION SHOULD THUS APPROACH EC COMMISSION AND MAKE FOLLOWING POINTS (ADAPTED AS NECESSARY TO PROTECT CONFIDENTIALITY OF REICHARDT'S SUGGESTIONS):

A) A USG APPRECIATES COMMISSION'S COOPERATION TO AVOID TRADE PROBLEMS WHICH COULD RESULT FROM EC REGULATIONS GOVERNING PRODUCTION METHODS, QUALITY, AND LABELING OF WINE. USG, WHICH IS ALSO IN PROCESS OF DEVELOPING NEW REGULATIONS ON THESE MATTERS, IS ALSO ANXIOUS TO

AVOID TRADE PROBLEMS IN THIS AREA.

B) USG HAS BEEN MINDFUL OF COMMISSION'S SUGGESTION FOR BILATERAL CONSULTATIONS ON WINE REGULATIONS SINCE PROPOSAL WAS ORIGINALLY MADE LAST SUMMER. HOWEVER, USG HAS BEEN UNABLE TO ENTER INTO SUCH CONSULTATIONS FOR A NUMBER OF REASONS (NOT ALL OF WHICH ARE DIRECTLY RELATED TO THE ISSUES), WHICH WE ASSUME ARE KNOWN TO THE COMMISSION. AMONG THESE, OF COURSE, HAS BEEN A COURT CASE, INITIATED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 157845

BY A PRIVATE PARTY, WHICH RAISED THE QUESTION OF WHICH USG AGENCY HAD JURISDICTION OVER WINE REGULATIONS PERTAINING TO INGREDIENT LABELING.

C) THE TREASURY DEPARTMENT'S BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS (ATF) HAS GIVEN CAREFUL ATTENTION TO THE CONCERNS OF EC MEMBER STATES IN ATF'S PREPARATION OF PROPOSED NEW REGULATIONS ON THE LABELING AND ADVERTISING OF WINE IN THE U.S. ATF HAS REDRAFTED ITS EARLIER PROPOS REGULATIONS AND HAS TAKEN ACCOUNT OF THESE CONCERNS (REF C). NEW PROPOSED REGULATIONS (WHICH ARE STILL TO BE REVIEWED AT PUBLIC HEARINGS AND ARE SUBJECT TO FURTHER REFINEMENT) WILL BRING U.S. STANDARDS TO APPROXIMATE EQUIVALANCE OF EC REGULATIONS. (FOR THE EC, MOST SIGNIFICANT PROPOSALS ARE THOSE PERTAINING TO VARIETAL LABELING, APPELATIONS OF ORIGIN, AND ELIMINATION OF NEW "ATF SEAL" WINE CLASSIFICATION.) IN VIEW OF THESE EFFORTS ON PAR OF USG, WEHOPEEC WILL FIND A WAY TO MANAGE ITS NEW WINE REGULATIONS SO AS TO ENSURE THAT U.S. EXPORTS OF WINE TO EC MEMBER STATES, WHI(H ARE VERY SMALL IN COMPARISON TO THE EC'S EXPORTS TO THE U.S., ARE NOT INTERRUPTED OR DELAYED.

D) EC COULD ACCOMPLISH THIS IN ONE OF SEVERAL WAYS:

1) BY POSTPONING EFFECTIVE DATE OF REGULATIONS BEYOND
SEPTEMBER 1, PREFERABLY BY SEVERAL MONTHS; 2) BY
EXEMPTING U.S. WINES FROM THE REGULATIONS (PERHAPS WITH
THE JUSTIFICATION THAT U.S. WINES ARE, OR ARE EXPECTED
SOON TO BE, SUBJECT TO STANDARDS "APPROXIMATELY EQUIVALENT"
TO EC STANDARDS; OR 3) BY A DIRECTIVE TO MEMBER STATES
TO ADMIT ALL U.S. WINES EXCEPT THOSE WHICH APPEAR TO
VIOLATE THE EC REGULATIONS, WITH EACH SUCH APPARENT
VIOLATION TO BE REFERRED TO THE COMMISSION FOR RESOLUTION.

2. U.S. AGREES THAT BILATERAL CONSULTATIONS ON WINE
REGULATIONS WOULD BE USEFUL. WE EXPECT TO BE PREPARED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 157845

FOR SUCH TALKS IN THE FALL. VANCE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, ECONOMIC COOPERATION, POLICIES, WINES
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE157845
Document Source: CORE
Document Unique ID: 00
Drafter: GWHITE/TOVHERRON:JH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770242-0023
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770781/aaaacsry.tel
Line Count: 137
Litigation Code IDs:
Litigation Codes:
Litigation History: Hold (001 Tobacco) added on 4/16/2009 3:39:06 PM by WASHDCMcGoldRJ, Hold (001 Tobacco) removed on 4/16/2009 3:45:04 PM by WASHDCMcGoldRJ (Litigation Hold Lifted)
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 654da66f-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 EC BRUSSELS 6976, 77 EC BRUSSELS 7278, 77 STATE 977
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1933987
Secure: OPEN
Status: NATIVE
Subject: US-EC WINE TRADE
TAGS: ETRD, US, EEC
To: BRUSSELS USMTN MULTIPLE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/654da66f-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009